Peruvian Crisis

LIMA—The International Petroleum Co. (IPC) appeared to be working on one last effort to negotiate its differences with Peru's military government to head off American economic sanctions. Peru will lose its share of the American sugar quota and U.S. foreign aid if it fails to compensate IPC for property it has nationalized. This prospect, outlined in a warning from the State Department, may have persuaded Peru's leaders to make an attempt at a negotiated settlement, sources in Lima said.